The Honorable Michael N. Castle 1233 Longworth House Office Bldg. Washington, D.C. 20515

Dear Congressman Castle:

I write on behalf of the State Council for Persons with Disabilities (SCPD) after it was brought to Council's attention that the Bush administration may be proposing to stop financing the construction of new housing for persons with mental illness and individuals with physical disabilities as part of a 50 percent cut in its housing budget for people with disabilities. SCPD encourages you to oppose any such cut.

The proposal, which has been overshadowed by the administration's plans to shrink its community development programs, affects the Section 811 program. Since 1998, Section 811 has helped nonprofit developers produce more than 11,000 units of housing for low-income people with disabilities. Until now, Section 811 has provided equal amounts each year, roughly, for financing for new construction, and rent subsidies for disabled tenants. But under the 2006 budget proposal, the capital allocation would be eliminated and the overall budget would shrink by half, to \$120 million from \$238 million.

The proposal is reminiscent, though on a much smaller scale, of what happened to public housing decades ago. That was when the federal government retreated from building public housing in favor of providing vouchers under programs like Section 8, which allows poor tenants to redeem those vouchers with private landlords. This time, the federal government would discontinue financing housing for people with spinal cord injuries or psychiatric illnesses who are not necessarily homeless but may live in nursing homes or psychiatric hospitals.

Safe, affordable, accessible and integrated housing for people with disabilities in the community is already at a crisis level in Delaware and the proposed cuts would only exacerbate the situation.

Thank you for your consideration.

Sincerely,

Daniese McMullin-Powell, Chair State Council for Persons with Disabilities

Exec order 50/housing bush cut 05.doc